# DEPARTMENT OF DEFENSE APPROPRIATIONS FOR FISCAL YEAR 2022

# WEDNESDAY, JULY 21, 2021

U.S. SENATE, SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS, Washington, DC.

The subcommittee met at 10 a.m. in room SD-138, Dirksen Senate Office Building, Hon. Jon Tester (chairman) presiding.

Present: Senators Tester, Shelby, Murkowski, Moran, Hoeven, and Boozman.

# DEPARTMENT OF DEFENSE

NAVY AND AIR FORCE WEAPONS SYSTEMS DIVESTMENTS

OPENING STATEMENT OF SENATOR JON TESTER

Senator Tester. I will call the hearing to order. I want to begin by welcoming our witnesses.

Vice Admiral Crites, Vice Admiral Kilby, Lieutenant General Nahom, I want to thank you all for being here today.

This subcommittee typically holds hearings with the senior leadership of the military services to learn about the budget requests for the upcoming fiscal year and the general posture of each department. Our topical hearings are reserved for those cross-cutting issues that have significant financial impacts, there are a lot of policy issues wrapped up in divesting force structure, but when the supporting arguments hold up budgetary decisions as a reason to make these moves, we need to fully understand what you were trying to accomplish.

The military, as a whole, is divesting from \$2.8 billion in legacy systems in fiscal year 2022 budget request, and that dollar amount is split right down the middle between the Navy and the Air Force. On the surface it makes sense to divest systems and platforms that do not adequately meet current military needs and that demand more resources than they are worth.

Unfortunately, it is difficult to fit all the puzzle pieces together in terms of what constitutes a legacy weapon, what new technologies are ready to field, and how best to divest our defense budgets. I called this hearing to start putting that puzzle together.

Next week, this subcommittee will hold a classified briefing on the technologies needed to counter China and Russia, to gain a full picture of what is at stake. I am eager to work with you to find the right balance between divesting force structure and investing in the future.

Once again, I want to thank the witnesses for their testimony today, and look forward to hearing from them.

With that, I will turn it over to you, Senator Shelby.

#### STATEMENT OF SENATOR RICHARD C. SHELBY

Senator SHELBY. Thank you, Mr. Chairman. I also want to welcome our witnesses today.

I look forward to hearing about the Navy and Air Force plans for this divestment of weapon systems in 2022, and how those plans better position our forces to deter, and if necessary, win in the

near-peer fight.

The proposal for divestment this year totals \$1.37 billion for the Air Force, and \$1.26 billion for the Navy. The Department's stated purpose for the divestments is to retire vulnerable systems and programs that no longer meet security needs, freeing resources to invest in higher priority items. And while there seems a straightforward framework for divestment decisionmaking, I would like to better understand here how the budget top line impacted these decisions.

Of the Navy's \$1.26 billion 2022 divestment recommendations, \$930 million is from divestment of ships. These include cruisers,

littoral combat ships, riverine craft, and dock landing ships.

Given the Navy's stated priority of increasing fleet size to compete in the Indo-Pacific, I would expect that those savings are used to increase shipbuilding and ship operations. The fiscal year 2022 budget request only includes a \$300 million increase in ship operations that is accompanied by a \$700 million decrease in shipbuilding

The Air Force, on the other hand, is divesting fighters, tankers, logistic aircraft, command and control, and intelligence, surveillance, and reconnaissance platforms. I think we can all agree here that some of these aircraft have been in service longer than originally envisioned, and many would be at a significant risk operating

in an anti-access, and area-denial environment.

That said, I want to understand, here at the committee level, how the loss of these aircraft will be fully mitigated by the introduction of new aircraft, or new systems, by increasing the pace of procurement of aircraft currently in production. I appreciate the complexity of the decisions the Department has to make to balance near-term capabilities and future technologies, and maintaining readiness across the force structure.

I believe it is important that we have a better understanding of how that has been accomplished in this proposal. Additionally, I would like to know what the plan is for the items that are divested. A very conservative estimate of the initial investment and the procurement of in terms of the Air Force would like to divest is \$14 billion I understand. That is a significant investment that we must be thoughtful about here on the committee.

I raise this issue because this proposal includes divestments of naval vessels that entered the Service less than 5 years ago, with a price tag around \$520 million each. It also includes unmanned ISR platforms that we just finished procuring.

It is important we understand what you are doing, why you are doing it, and how you are doing it.

Thank you, Mr. Chairman.

Senator Tester. Thank you, Senator Shelby.

Next, we are going to hear from two folks. We are going to hear from Vice Admiral Kilby, and then we are going to hear from Lieutenant General Nahom.

We will start with you Admiral Kilby.

# STATEMENT OF VICE ADMIRAL JAMES KILBY, DEPUTY CHIEF OF NAVAL OPERATIONS FOR WARFIGHTING REQUIREMENTS AND CAPABILITIES

Admiral KILBY. Thanks, sir. Chairman Tester, Vice Chairman Shelby, and distinguished members of the subcommittee, on behalf of Vice Admiral Crites and myself, thank you for the opportunity to appear before you today to discuss the Navy's proposed divestments in the 2022 budget request, we thank the subcommittee for your support of the Navy.

The United States Navy remains the preeminent maritime force in the world. With 297 ships, your Navy is underway around the world today, and every day, protecting America's security, pros-

perity, values and interests across the globe.

Our goal is to prevent conflict, but should deterrence fail, we are ready to answer the call to fight and to win. Our maritime advantage is being challenged by adversaries that are becoming more capable and more aggressive. The Navy and the Nation must maintain a clear-eyed resolve to compete, deter, and if necessary, defeat our rivals.

Our actions now shape the maritime balance of power and we continue to develop and evolve a more lethal force to deliver all-domain Navy power and maintain our advantage at sea. Naval power is not simply a function of the number of ships, it also requires the right balance of readiness, modernization, and training.

The Navy's 2022 budget balances investments across readiness, capabilities, capacity, and taking care of our people to maximize our contributions to the Joint Force within the limits of available resources.

Our budget decisions are underpinned by campaign analysis, and warfighting analytics, and informed by aggressive reform efforts to align every dollar to provide maximum warfighting impact. In short, our budget funds what we need most in an era of strategic competition.

However, the Navy is also dealing with a flat budget top line that has not kept pace with inflation, and the force is growing in size. As the subcommittee knows, these factors pressurized the budget and force difficult funding decisions based on warfighting priorities to deliver the right mix of capabilities the Nation needs most.

That means divesting of platforms that are less capable, less effective, and less relevant in the current and future strategic environments, so that we can modernize and sustain the readiness and wholeness of our current fleet, it also means stopping or slowing procurement of existing platforms in order to develop the next-generation capabilities necessary to keep pace with our adversaries.

I want to be very clear here. I am not saying the platforms proposed for divestment are unimportant, or provide no value, but we

have to ensure that we focus on our efforts on delivering the best, most ready, and most capable Navy we can.

That is what the 2022 budget represents. It makes hard choices, choices we believe are necessary to maximize naval power, and deliver the highest war-fighting return on investment with acceptable risk.

I urge the subcommittee and Congress to consider the Navy's 2022 budget in this light. Within the resources available, how relevant each asset is, and in the future fight of how much additional investment is required to keep the assets we are divesting of relevant.

Again, we must be clear-eyed about are the investments needed to compete, deter, and win in the future fight and the urgency to accelerate those capabilities.

Thank you for the opportunity to discuss the Navy's 2022 budget with you today. And we look forward to working closely with you and your staffs to ensure we will continue to field the most capable and relevant Naval Force to meet our Nation's strategic objectives.

[The statement follows:]

# PREPARED STATEMENT OF VICE ADMIRAL JAMES W. KILBY AND VICE ADMIRAL RANDY B. CRITES

Chairman Tester, Vice Chairman Shelby, distinguished members of the Subcommittee, thank you for the opportunity to testify today on the Navy's proposed divestments in the fiscal year (FY) 2022 President's Budget (PB–22). We thank Congress and the Subcommittee for your support in maintaining a Navy that is both lethal and ready to deploy globally in defense of U.S. national interests.

In an interconnected and interdependent world, a dominant naval force and a strong maritime strategy are critical to the security of our Nation. The global security environment is increasingly influenced by our competitors, requiring the Navy to provide credible combat power forward to ensure a ready response to global crises and disasters. Even as the world focused on dealing with the COVID-19 pandemic last year, your Navy continued to deploy to hot spots around the globe where U.S. interests are challenged, executing eight major Carrier and Expeditionary Strike Group deployments, amassing close to 700,000 flight hours and over 23,000 total steaming days. This builds on two decades of Navy forces deploying at our highest operational tempo since World War II, in a conflict that has lasted five times longer.

As our national security posture evolves to confront new challenges, the Navy continues to invest in key naval capabilities to maximize our naval power contribution to the Joint Force. PB–22 advances critical Navy priorities to defend the nation, innovate and modernize the force, increase resilience and readiness, and take care of our Sailors, civilians, and families. For example, PB–22 supports the sustainment of our readiness recovery to deliver credible ready forces now by accelerating the Navy's Shipyard Infrastructure Optimization Program (SIOP), and fully funds two submarine overhauls in private shipyards. PB–22 aggressively pursues increased lethality and modernization of capabilities with the greatest potential to deliver non-linear warfighting advantages through significant research and development investments in distributed and networked effects to establish and sustain sea control, and future platforms and experimentation with unmanned systems on the sea, under the sea, and in the air. PB–22 continues key investments in advanced technologies and modernization by prioritizing the recapitalization of the strategic ballistic missile submarine, the Columbia class, which remains the Navy's highest acquisition priority. And importantly, PB–22 supports our people and the quality of their life by providing a 2.7 percent pay raise in FY 2022, increasing investments in mental health and sexual assault prevention and response programs, and developing talent through training programs including Ready Relevant Learning, Live Virtual Constructive, and the Naval Community College.

Aligned with the Interim National Security Strategic Guidance, the Tri-Service Maritime Strategy, and within the limits of available resources, the Navy's PB-22 budget represents the best balance and right mix of strategic investments in our Sailors, readiness, capability, and capacity. Our budget decisions are underpinned by campaign analysis and warfighting analytics, and informed by aggressive reform

efforts to align every dollar to provide maximum warfighting impact. As we balanced the urgent readiness and modernization needs of our force today with investments in the future force, we also had to make difficult funding decisions to divest of less capable platforms and systems, freeing resources to invest in a future force that can deliver greater efficiency and effectiveness. These divestment decisions were rigorously reviewed, analyzed, and debated to ensure we retain the capabilities needed to be ready to fight tonight, while investing smartly for the future. At a high level, this analysis can be summarized by examining the fiscal context and warfighting value associated with divestments.

Fiscal Context. In constant, non-inflated dollars, the Navy's (as a Service) total funding level (or budget topline) has remained relatively flat since 2010. When inflation is factored in, the result is an overall loss of buying power. Our budget topline today is roughly the same as it was in 2010, despite a growth in the fleet size from 288 ships in 2010 to 297 ships today. In actual dollars, PB-22 reflects a 0.6 percent increase in Navy funding over the FY 2021 enacted appropriations level.

The Navy and Department of the Navy (DON) has been able to offset some of this

lost buying power through a series of reform efforts going back to 2012. From PB—12 to PB—22, the Department has executed or programmed savings of over \$150 billion from reform and efficiency initiatives. These reforms involved business process improvements and efficiencies, but also divesting of less capable platforms, mission sets, or capabilities; reduced procurement; and changes in active and reserve component mix. While more efficient, the Department is now also very lean with little margin to address fact-of-life changes, such as increasing material and labor costs that exceed inflation or pandemic response. Going forward, with very few programs that have not already been heavily scrutinized, reform and efficiencies are unlikely to produce substantial savings. As identified in several recent Congressional Budget Office publications, the pressure on all Navy accounts will continue, with costs increasing at rates higher than projected inflation rates.

The ability to self-finance growth in the size of the force is also limited by stra-

tegic priorities and accounts that Navy considers non-discretionary. We must pay our people and sustain our current force-we will never field a hollow force. We must keep the Columbia class program—a once-in-a-generation recapitalization program—on track for lead ship delivery in 2027 in order to meet U.S. Strategic Command's requirement for Columbia ballistic missile submarines to be on patrol by 2030. And now we are faced with a once-in-a-century investment to recapitalize and modernize our public shipyards. These must-fund priorities limit our ability to recover readiness, modernize the force, address shortfalls, and invest in new tech-

nologies to pace strategic threats.

Finally, unstable and unpredictable budgets encumber the Navy's ability to maximize use of every dollar. Continuing resolutions drive inefficiency, uncertainty, and delays in execution that become increasingly difficult to recover from in the years to follow. This impacts everything from acquisition new starts to ship maintenance planning to permanent change of station funding for Sailors and their families.

Warfighting Value. Continuing to purchase and/or sustain older, less capable or obsolete equipment takes defense dollars away from the acquisition of systems that are needed for modernization or sustainment of higher value systems. Our competitors—especially China—continue to advance their capabilities. We must outpace those advances to remain a credible deterrent to conflict around the world. This requires us to maintain and improve this advantage on land, at sea, in the air, and unives us to maintain and improve this advantage on land, at sea, in the air, and in emerging domains, including space and cyberspace. We must divest select less capable platforms to ensure that every defense dollar is spent on programs and equipment that will be relevant in the next fight. PB-22 proposes cuts to systems and capabilities that no longer meet the challenges and requirements of the defense strategy, making room for more advanced programs that maximize naval capability and lethality aligned with the Interim National Security Strategic Guidance.

# NAVY'S PB-22 PROPOSED DIVESTMENTS

The FY 2022 President's Budget includes a total of \$1.3 billion in cost savings across the Department of the Navy from proposed divestments in FY 2022. This includes retiring less capable platforms, reducing costs, and realigning funds to source higher priority efforts to field the strongest balance of capabilities. The major Navy divestments include:

Decommission Two Guided Missile Cruisers (CG 66 and CG 68). Today, the average cruiser age is 32 years, with four ships already beyond their 35 year service live expectancy. The Navy plans to divest two non-modernized cruisers in FY 2022, in addition to the five previously programmed for FY 2022 decommissioning in the FY 2020 and FY 2021 President's Budgets. Decommissioning these two non-modern-

ized ships enables reallocation of funds to achieve program wholeness for the modernization of the remaining five CGs in the cruiser modernization program (CG 63, 64, 65, 69, and 71). Due to ongoing execution challenges, discovered growth work, and underestimation of risk in system reactivation, cruiser modernization costs have grown by 90 to 200 percent above their initial programmed estimates. These five ships provide sufficient capacity to sustain air and missile defense commander (AMDC) coverage as DDG Flight III ships begin to deliver in FY23 with more capable advanced radars.

Retaining CG 66 and CG 68 would require approximately \$1.5 billion to execute the required maintenance and modernize the ships, and CG 66 would likely return to operational status "late to need" after the low-point inventory of AMDC-capable ships. A decision to retain these two ships would provide, at most, 12 years of remaining service life each, assuming a 45-year expected service life, and realistically four remaining deployments total. This equates to ~\$400M per deployment when adding the cost of modernization to the operations and sustainment costs for their

remaining service lives—a low return on investment.

The five cruisers previously planned for decommissioning in FY 2022 are either at the end of their service life (CG 56 and 57) or are less-capable ships with only basic ballistic missile defense capability (CG 61, 72, and 73). The cost of maintaining aging cruisers with substantial degradations in material condition, including tank top cracking, aluminum superstructure stress cracks, and increasingly obsolete systems is prohibitive. Less-capable cruisers are being divested to fund more capable Air Defense Commander (ADC) ships. DDG Flight III ships and selective service life extensions of ADC cruisers will provide the ADC capability needed in the future. The inventory of vertical launching system (VLS) cells was considered in the divestment decision. VLS cells in aging cruisers that cannot get to the fight due to persistent material challenges add no warfighting value or capability. It is more important to have fully ready, materially sound, sustainable platforms equipped with and able to employ our most capable offensive and defensive weapons.

Decommission One Dock Landing Ship (LSD 41). PB-22 continues the divestment of dock landing ships consistent with the Commandant's Planning Guidance and Force Design 2030 to divest of aging, least capable force structure in order to reallocate funding towards improving the Navy's lethality. The aging LSD ships continue to have challenges with overall maintenance health and there is diminishing return on investment for sustaining their increasingly obsolete systems. PB-22 includes the decommissioning of LSD 41 in FY 2022. LSD 41 is currently 36 years old. This divestment avoids the cost of an extensive 21-month CNO maintenance availability

in FY 2022, three years before the end of expected service life at 40 years.

LPD Flight II is the functional replacement for LSD ships and begins to deliver in FY 2025. LPD Flight II integrates a more capable combat system, radar, and communications system and will be CMV-22 capable. Navy is committed to delivering the most capable multi-mission amphibious warships, partnering closely with the Marine Corps and our critical industrial base. Amphibious warships, including the LPD Flight II and the future Light Amphibious Warship, remain a key component of the Nation's global forward presence, playing a pivotal role in responding to world crises and supporting a broad range of missions across the spectrum of conflict.

Decommission Four Littoral Combat Ships (LCS 3, 4, 7, and 9). The FY 2021 President's Budget proposed decommissioning of the first four LCS ships (LCS 1-4) because they are dedicated test ships with unique systems and are not configured like the other LCS ships. The initial two test ships will decommission in FY 2021 and PB-22 re-proposes to decommission the third and fourth test ships once all testing is complete in FY 2022. Decommissioning LCS 3 and LCS 4 avoids the significant cost to upgrade these test ships to the common LCS configurations, including structural, cooling, and hull, mechanical, and electrical (HM&E) upgrades. It also avoids the additional cost of procuring a mission package for these ships, which are not included in the current mission package procurement plan. Continued fleet operations would require purchasing a mission package for each ship.

Decommissioning LCS 7 and LCS 9 is a difficult funding decision that allows the

Navy to free resources needed to invest in higher priorities. They were selected because their decommissioning presents less impact to the Fleet employment and force management because these ships are not scheduled to deploy in the near-term. In addition, both ships do not have lethality and survivability upgrades or Naval Strike Missile installations planned within the next two years and both require combining

Divesting these four LCS ships results in cost savings and significant cost avoidance to enable investments in higher priority capability and capacity to prevail in future conflicts. Strategic competition and the on-going focus on the Indo-Pacific region requires a more capable small surface combatant for operations in contested environments. The remaining LCS ships, with lethality and survivability upgrades and the Naval Strike Missile, along with the FFG 62 Constellation class will provide the improved capability to support the full range of military operations as part of a more lethal Joint Force.

Divest 12 Mark VI Patrol Boats from Coastal Riverine Squadrons. Consistent with the divestment decisions above, investing in more capable assets is necessary to prevail in strategic competition and meet the demands of the defense strategy. In developing the PB–22 budget, the Navy analyzed the MK VI Patrol Boat's ability to compete against a near-peer adversary and determined that the savings from divesting MK VI would be better invested in higher priority platforms better suited for strategic competition. The MK VI requirement originated from a November 2007 Commander, U.S. Fifth Fleet Urgent Operational Needs Statement for a visit, board, search, and seizure overwatch platform in the littorals. This mission is decreasingly relevant in the current and future threat environments, and the other MK VI missions can be conducted by existing Navy surface combatants and U.S. Coast Guard patrol boats.

The final deployment for the affected coastal riverine companies is scheduled to be complete by approximately the end of 2021. MK VI divestment provides cost savings from operations and maintenance funding and manpower reductions. Navy continues to assess options for final disposition, including potential transition to another service or another U.S. government agency, nomination for Foreign Military Sales (FMS), or placement into long-term storage. The Navy International Programs Office has had at least one inquiry from a nation showing interest in the Navy's MK VI patrol boats and in January 2021, the Department of Defense announced that Ukraine is procuring two new MK VI patrol boats, with a potential total sale up to 16 craft, through an FMS case.

Accelerate Divestment of Navy F/A-18A-D Hornets. The FY 2019 President's Budget included a phased divestment of Navy F/A-18A-D legacy Hornets, planned for completion by FY 2024. PB-22 accelerates this divestment plan to complete in FY 2022, in conjunction with the completion of the Navy Reserve's transition from F/A-18A-D to F/A-18E/F from the Navy Active Component, and F-16C/D from the U.S. Air Force and Air National Guard by the end of FY 2022.

Navy will divest 45 Hornets in FY 2022. This divestment reduces long-term support costs for these older Type/Model/Series, while retaining adversary capacity with F-16s and Block I Super Hornets, and Naval Aviation Warfighting Development Center testing capability using Block I Super Hornets.

Accelerate Divestment of Broad Area Maritime Surveillance Demonstrator (BAMS–D). The FY 2021 President's Budget originally scheduled BAMS–D divestment in FY 2023

BAMS–D has limited capability to perform maritime and littoral intelligence, surveillance, and reconnaissance (ISR). PB–22 accelerates divestment of BAMS–D to FY 2022 in order to harvest cost savings sooner and reinvest in higher priority capabilities and capacity. BAMS–D is not a program of record and was intended to be a demonstration prototype for MQ–4C Triton, which will provide greater capabilities. Maritime ISR missions will be conducted by P–8A Poseidon, MQ–4C Triton, and EP–3E operations, which were extended by one year to FY 2024 in compliance with the FY 2011 National Defense Authorization Act.

#### CONCLUSION

Thank you for the strong support this Subcommittee continues to provide our Navy. The Navy takes seriously our duty to be good stewards of taxpayer dollars by assessing and recommending the hard decisions necessary to deliver the highest warfighting return on investment and maximize naval power within limited resources. This requires a multi-pronged effort to improve affordability, increase efficiency through reform, and divest of systems that are decreasingly relevant to the strategic environment or no longer operationally effective in executing their missions. We ask for Congress' support of the critical balance between readiness, capability, capacity and taking care of our people as reflected in the FY 2022 President's Budget.

Senator Tester. Thank you, Admiral. Next, we have General Nahom.

General.

# STATEMENT OF LIEUTENANT GENERAL DAVID S. NAHOM, DEPUTY CHIEF OF STAFF FOR PLANS AND PROGRAMS, U.S. AIR FORCE

General Nahom. Chairman Tester, Ranking Member Shelby, and distinguished members of the committee, thank you for the opportunity to testify on the Air Force divestitures and the readiness implications. Additionally, thank you for your continued leadership and dedication to the 689,000 Total Force Airmen serving around the world today.

The American homeland is no longer sanctuary. Our citizens face threats from a variety of actors, and our competitors continue aggressive efforts to negate our longstanding war-fighting advan-

tages.

China's actions show a sense of urgency. They see a future that is very different from the one that we would want to see, and they are taking actions to realize that future. Their efforts include a massive buildup of military power, and a clear intent to use that military to gain leverage on us, and our allies, and partners, is becoming ever more critical that we recognize the need to change and modernize.

Through the 2022 President's budget, the Department and the Air Force seeks to continue investment in technology that is both lethal in survival against a peer threat. This ultimately means divestment of some portions of the legacy platforms in order to free up personnel and resources in order to fill more capable systems to address emerging threats. As we look to transition away from older, less capable aircraft and appropriately managed fleet sizes, some legacy capabilities we will see shifts in investments.

The Air Force fleet is currently 29 years old in fleet average, the oldest air fleet of any service, we must recognize and continue to invest in new platforms and weapon systems to ensure the Nation has the right mix of cutting-edge technology needed to remain competitive and stay ahead of our adversaries. Keeping aircraft identified for retirement means funds intended for investment in newer aircraft and capabilities will now be used to fund older, less capable aircraft.

We must transition away from capabilities of today to capabilities required for tomorrow, new capabilities that can operate and survive in both high-end and low-end conflict. Failure to recognize the need to modernize has long-standing implications, and injects risks in the lethality of our force.

Keeping aircraft we weren't planning to retain also requires manpower, a highly valuable resource we cannot afford to waste. If we are unable to retire legacy aircraft, we exasperate an already stressed manpower situation, and risk not having the manpower necessary to transition to, operate and maintain new aircraft such as the F–35 and KC–46.

Weapon System Sustainment, or WSS, costs are another clear indicator the Air Forces need to modernize. Even with a 15 percent decrease in total aircraft inventory our sustainment costs have increased 130 percent in the last 20 years. Additional legacy aircraft break one-third more often, and take 10 percent longer to fix than they did just 2 decades ago.

This drives an increased maintenance workload, adding aging aircraft back into the maintenance cycle means something else will

likely not get done on aircraft that we actually need for peer competition.

In fiscal year 2022, we are asking the Congress to allow us to better manage our fleet. We cannot be prepared for high-end fight without trade-offs now. While painful, it is better to accept risk today when we have the ability compared to the future, when we may not have that luxury. Through that lens, and from our perspective, these divestures are less about what we lose more about what we gain.

Again, thank you for your support, and with your help, we remain committed to making thoughtful divestiture decisions. I look forward to your questions.

[The statement follows:]

# PREPARED STATEMENT OF LIEUTENANT GENERAL DAVID S. NAHOM

Chairman Tester, Ranking Member Shelby, and distinguished members of this committee, on behalf of Acting Secretary of the Air Force, the Honorable John P. Roth, and the Chief of Staff of the Air Force, General Charles Q. Brown, Jr., thank you for the opportunity to testify for the Air Force.

Your Air Force remains committed to making the hard choices required to balance the need to preserve near-term readiness for today's missions with the imperative to also build the long-term readiness essential to prevail in strategic competition with China or any other nation.

National security is evolving. The clear and ever-present danger of previous generations has become far more opaque and complex. Our success in the strategic battlespace is dependent on the relevancy of our capabilities and the Airmen who wield those resources.

Strategic competition utilizes both long-term strategy and short-term improvisation. Our nation's military potency relies on developing our airpower inventory toward platforms, equipment, and capabilities that will be relevant in peer competition in 2030 and beyond. To achieve this, we must shed capabilities that are too old, irrelevant in the future dynamic environment, or are unsustainable.

We look forward to collaborating closely with this committee to explore and evaluate all divestiture options regarding the A-10, F-15C/D, F-16C/D, E-8, MQ-9 Combat Lines, RQ-4, C-130H and our tanker transition plan that best help us to deliver on our promise to "Fly, fight, and win...airpower anytime, anywhere."

# CURRENT CAPACITY AND CAPABILITY

Current Air Force aircraft are becoming significantly more expensive to sustain as they age, and our fleet is the oldest in the Department of Defense. The average age of the Air Force fleet is 29 years, while the U.S. Navy is 14 years and the U.S. Army is 15 years. In comparison to our allies, the average age of the Royal Australian Air Force (RAAF) is 9 years and the Royal Air Force (United Kingdom) is 16 years. Weapons System Sustainment (WSS) costs have increased 130 percent over the last 20 years, even with a 15 percent decrease in total aircraft inventory (TAI). We need new platforms and weapons to replace a legacy force, but also must invest in cutting-edge technology needed to confront and pace peer competitors.

# THE FIGHTER FLEET

Our planned fighter portfolio, relevant in 2030 and beyond, requires deliberate development, acquisition, training, modernization, and sustainment of aircraft that meet the demands of future conflicts. As part of our proposed fighter force structure change, the Air Force must transition its fighter fleet from seven platforms (F–35, F–22, F–16, F–15EX, F–15E, F–15C, and A–10) to four platforms (NGAD, F–35, F–15EX, and F–16) plus the A–10 in the near/mid-term. To attain the desired fighter fleet, the Air Force must right-size current aircraft inventories to expedite the transition away from less capable, aging aircraft and emphasize investment in future capabilities such as Next Generation Air Dominance (NGAD) and F–35 modernization. The desired Air Force fighter fleet should match the capability and capacity of both platforms and weapons to maximize lethality.

#### A-10 THUNDERBOLT

The A–10 Thunderbolt has proven to be one of the most durable and capable close air support aircraft in the Air Force inventory since its introduction in 1977. The Air Force believes its analysis supports reducing 42 A–10 aircraft from the current 281 to 239 in Fiscal Year 2022 (FY22) and plans to reach an end-state of 218 by FY23. This reduction will appropriately size the fleet for cost-effectiveness while simultaneously providing the capability to counter violent extremist organizations and addressing lower-end fights into the 2030s.

A reduction of A-10 aircraft in FY22 will reset the fleet from nine to seven combat squadrons. A 218 aircraft fleet allows Attack Squadrons to maintain a minimum of 18 Primary Mission Aircraft Inventory, guaranteeing one squadron is always available to support combatant commander requirements for close air support and com-

bat search and rescue.

As we reduce the fleet to 218, by 42 in FY22 and an additional 21 in FY23, we will continue to re-wing and modernize the remaining A–10s. Re-winging is the A–10's most significant modernization program and we have purchased wings to outfit a fleet of 218 aircraft. In FY22, we will continue executing FY21 funding to begin installs and support engineering change orders, and other government costs that are typically required to execute major modification efforts of this nature.

Failure to right-size the A–10 fleet has considerable consequences. Maintaining

Failure to right-size the A-10 fleet has considerable consequences. Maintaining current fleet numbers will result in a significant buyback cost to the Air Force to upgrade and sustain A-10s that are not needed to meet future requirements, ultimately impacting the Air Force's ability to purchase aircraft that will win a high-

end fight.

The human capital toll is also significant. Between FY21–22 a total of 91 F–35s will deliver. Failure to right-size the A–10 fleet means hundreds of maintenance personnel will not be available to resource platforms such as the F–35. While adding funds could solve the personnel deficit, new recruits require training with a lead time of at least a year (post recruitment), and the most critical billets of experienced maintainers requires years to create and cannot be purchased. Ultimately, relief is required from legislation that currently prevents retirement of any A–10s. A right-sized A–10 fleet provides the capability, capacity, and affordability to achieve National Defense Strategy objectives and meet air superiority and global strike needs for the Joint Force.

#### F-15C/D EAGLE

The F-15C/D supports both Homeland Defense and the air superiority mission. Our F-15C fleet is aging, with two-thirds of the fleet past its designed service life. The 234 F-15C/Ds in the Air Force inventory will reach the end of their design service life in the next six to eight years, and our analysis shows additional service life extension programs are not cost effective.

extension programs are not cost effective.

The FY22 President's budget request divests 48 F-15C/Ds from the active fleet (234 aircraft to 186 aircraft), which includes the reduction of the F-15C/D squadron

at Royal Air Force Lakenheath.

We have already started to replace this fleet with a modernized successor by purchasing the F-15EX. The F-15EX "Eagle II" will provide superior sensor, range, and payload for Critical Infrastructure Defense. The transition from a seven-fighter force structure to a four-fighter construct enables the Air Force to focus efforts on capabilities relevant in the future spectrum of conflict. As the F-15C/D fleet is reduced, increases in F-15EXs and F-35s will ensure no degradation in capabilities.

# F-16 C/D FIGHTING FALCON

The F-16 is the Air Force's primary multi-role fighter and Suppression of Enemy Air Defense aircraft. Our more than 600 late block F-16s will provide affordable capacity for the next 15 or more years, in both competition and more permissive combat environments.

The Air Force's current fleet consists of 936 F–16s with 325 Pre-Block and 611 Post-Block aircraft. Starting in FY22, due to rising costs in sustainment, the Air Force begins a phased approach to a F–16 fleet Pre-Block reduction, decreasing the fleet by 47 F–16s (936 aircraft to 889 aircraft). In FY22, we will continue to modernize the Post-Block F–16s we keep as our "affordable capacity" fighter into the 2040s. The F–16 investment strategy funds modifications for the most capable, late block aircraft to ensure they can operate and survive in today's threat environment.

The F-16 Pre-Block fleet is not lethal nor survivable enough to survive against near-peer air defense systems and threats. In order to facilitate these capability improvements, we must divest legacy F-16 Pre-Block force structure and continue in-

vestment in needed National Defense Strategy capabilities that will win a high-end fight.

#### E-8 JSTARS

The highly contested environment of the future will require sophisticated command and control to facilitate battlespace management and highly agile sensing grid capabilities. To stay ahead of emerging threats, we must accelerate intelligence, surveillance, and reconnaissance (ISR) modernization. The Air Force will improve ISR capabilities by developing, producing, and fielding a family of interconnected and multi-role crewed and uncrewed systems. This investment pivot requires the Air Force to divest the E-8 Joint Surveillance and Target Attack Radar System (JSTARS), which cannot survive in a highly contested environment. We must fund emerging ISR capabilities that can collect in the most complex and dynamic areas.

In FY22, the Air Force seeks to retire 4 JSTARS aircraft to (16 aircraft to 12 aircraft). JSTARS does not support any ISR 2030 future force requirement, nor does it support any near-peer engagement. It is operationally imperative that, as JSTARS aircraft are retired, personnel shift to assist in other, critically understaffed, areas in support of newly emerging missions.

Currently, the Air Force is seeking relief from congressional language that prevents immediate retirement of any E-8 JSTARS aircraft, or language that hinders retirement. As required, the Air Force is currently in the process of coordinating the required certification through the Secretary of Defense (SECDEF) for approval.

# MQ-9 REAPER

The MQ-9 Reaper has proven extremely valuable as an uncrewed aircraft operating in permissive environments where link access is unencumbered, and air defense threats are relatively nonexistent. The Air Force must focus on real-time domain awareness, enabled by data fusion at the edge of the battlespace, secure data transport, artificial intelligence, and penetrating collection capabilities. Global Integrated Intelligence, Surveillance, and Reconnaissance (GIISR) capabilities must enable and connect to the Advanced Battle Management System (ABMS) as part of the Joint All-Domain Command and Control (JADC2) construct to remain competitive in the high-end fight.

Unlike traditional aircraft employment concepts, the MQ-9 presents capability through combat- air-patrols (CAPs) rather than aircraft number. In the FY22 PB, the Air Force seeks to reduce MQ-9 Government-Owned Government Operated (GOGO) combat lines by 4 (60 combat lines to 56 combat lines). This reduction of combat lines does not equate to reduction in aircraft inventory; no tails will be di-

The FY22 PB funds existing technology maturation and modernization activities that keep the platform operational and relevant until full-scale divestments begin (planned around FY30). This funding demonstrates the Air Force's commitment to the MQ-9 and the platforms support to the Counter-Violent Extremist Organization mission. However, we must also focus on right- sizing the fleet to enable investments to modernize ISR for the highly contested conflicts of the future. Reduction of combat lines also allows the Air Force to redirect funding towards the completion of studies, analysis, and concept exploration to determine an armed ISR follow-on effort to support the 2030 Force Design.

Significant risks exist without proper divestment of MQ-9 assets. Funding and personnel must support capabilities to win the future high-end conflicts that require accelerated investment. If the Air Force does not modify the MQ-9 force presentation and is required to keep 60 combat lines, it will become more vulnerable and

increasingly irrelevant even in low-end conflicts.

The Air Force requests no restrictive language preventing further reduction of MQ-9 combat lines and no additional funding for MQ-9 procurement in FY22.

# RQ-4 GLOBAL HAWK

The RQ-4 Global Hawk is a high-altitude, uncrewed, ISR collection platform. While the system has exceptional loiter time and operational reach, the Air Force is moving toward more survivable capabilities that fulfill National Defense Strategy requirements. The Air Force's ability to win future high-end conflicts requires accelerating investment and accepting short-term risks by divesting legacy ISR assets that offer limited capability against peer and near-peer threats. Retiring RQ-4 Block 30s allows the Air Force to field advanced technology while bringing the ISR enterprise into the digital age using modernized sensing grid technologies. The Air Force intends to retire the RQ-4 Block 30 fleet to invest in advanced penetrating ISR platforms, which will enable the Joint Force to compete and win against a peer competitor in the high-end fight.

competitor in the high-end fight.

The Air Force currently possesses 20 RQ-4 Block 30 aircraft and 10 Block 40 in the inventory. The FY22 PB proposes retirement of the entire Block 30 fleet due to its inability to operate in highly contested environments.

In FY21, the Air Force proposed divestment of the RQ-4 Block 30s; however, Congress non-concurred. Current law requires the Air Force to maintain an RQ-4 fleet in the configuration of the RQ-4 sustainment costs are less than RQ-4 sustainment. until the service can prove the replacement costs are less than RQ-4 sustainment and Joint Reconnaissance Operations Center certifies the capability is greater than RQ-4 for combatant commanders. However, the SECDEF waiver option states that SECDEF can request a waiver if replacement capability is believed to be worth the higher cost.

In the FY22 PB, the Air Force is once again proposing divestment of the RQ-4 Block 30 fleet (20 aircraft) along with the SECDEF approved waiver allowing the divestment. We must look to the future and continue the transition towards a family of interconnected and multi-role systems and sensors for the highly-contested environment that are digitally engineered to increase data processing speed, mission effectiveness, interoperability, survivability, and penetration at a reduced cost.

#### TANKERS (KC-10, KC-135, AND KC-46)

To maintain our edge in Rapid Global Mobility for the future fight, Air Force must right-size the KC–10 and KC–135 fleets, while continuing to invest in the KC–  $\,$ 46. This transition plan requires shedding legacy aircraft and repurposing airmen as KC-46s are delivered. As we move to field the KC-46, Congressional language is restricting retirement of legacy tankers.

The current National Defense Strategy mandates that the Air Force maintain 479

tanker aircraft in its fleet. To achieve the future fleet, the Air Force needs to retire the KC-10 and KC-135 on a one-for-one basis with the KC-46A. Current models and simulations indicate that the Air Force plan to recapitalize aging KC-135 and KC-10s with KC-46As and non-developmental follow-on will meet the 2030+ anticipated aerial refueling demand.

In FY22, the Air Force plans to divest 14 KC-10s (50 aircraft to 36 aircraft), and divest 18 KC-135 (394 aircraft to 376 aircraft). Additionally, adding to capacity and capability, the KC-46 fleet will increase from the 55 aircraft to 71 (+16 aircraft) in FY22. The advanced communication capabilities of the KC-46 will also contribute to advanced command and control (ABMS/JADC2) to enable advanced targeting and

The Air Force requests approval to continue execution of the tanker transition plan through right-sizing efforts. This will allow us to manage the finite number of aircrews/maintainers and align them with KC-46 Formal Training Unit allocations. In order to do this the Air Force needs to retire KC-135s and KC-10s. With hundreds of personnel tied up in legacy tanker missions, the Air Force will not be able to support and maintain an entire squadron of modern KC-46 aircraft. With these restrictions in place, units will be forced to maintain two sets of aircraft with one set of crews and maintainers. This places a heavy burden on our Airmen, and results in two insufficiently crewed fleets.

#### C-130H/J

C-130 Hs and C-130 Js are medium-size transport aircraft capable of completing a variety of tactical airlift operations across a broad range of missions. The fleet delivers air logistics support for all theater forces, including those involved in combat operations. As with other weapon systems, the Air Force is taking acceptable risk

in the C-130 portfolio as it focuses resources toward the future force.

In an effort to "Accelerate Change or Lose" the Air Force is focused on modernizing the force at the cost of legacy capabilities to ensure our nation is ready to fight and win in the future. We have taken a measured amount of acceptable operational risk in force structure to appropriately align available resources, inherently increasing aircraft readiness rates and allowing for utilization of fiscal resources on the remaining aircraft to maintain or further improve readiness. Planned right-sizing of the C-130 fleet aims to meet current operational needs while simultaneously investing in technologies that support and advance our concept of victory.

In the FY22 PB, the Air Force seeks to continue right-sizing the C-130H/J fleet to 255 with a net reduction of 8 C-130 aircraft. The Air Force is committed to maintaining all current Air National Guard C-130 units. If any units do transition out of the C-130, we will ensure transition to a mission that supports the future force and has long term viability. Any transition will be mutually agreed upon by the Air Force, the Air National Guard, and the State.

#### CONCLUSION

The Air Force's FY22 budget submission demonstrates our commitment to balancing near-term risk with readiness. While all platforms once served a purpose, not all will meet the requirements and demands of the 2030 battlespace. We cannot continue the status quo business model; we must make difficult decisions to shed in-

creasingly irrelevant capabilities.

Choosing which technologies we will further develop and take into production is the most difficult decision; as this undoubtedly will create an offset in some current capability and often incurs some unplanned program cost growth. The Air Force must make these tough choices and take calculated risk, seeking to reduce potential inefficiencies where possible, when determining which capabilities have the greatest chance of success against future adversary technologies. China and Russia continue to develop and rapidly field increasingly advanced designs, eating into and eliminating our technological advantages. The Air Force cannot wait to develop advanced systems to fight and win in the ever-changing highly contested environment.

We are committed to making the bold tradeoffs required to answer President Biden's call to "shift our emphasis from unneeded legacy platforms and weapons systems [and] free un resources for investments in the cutting-edge technologies and

We are committed to making the bold tradeoffs required to answer President Biden's call to "shift our emphasis from unneeded legacy platforms and weapons systems [and] free up resources for investments in the cutting-edge technologies and capabilities that will determine our military and national security advantage in the future," and look forward to working with this committee to mitigate risks as we

do so.

On behalf of all Airmen, active, guard, reserve, and civilian, thank you for your leadership and partnership as we build the ready Air Force our Nation needs both today and into the future.

Senator Tester. Thank you of your testimony, and I appreciate it.

You know, between this hearing and the hearing next week, this is going to give you folks the opportunity to talk about these retirements. And I can tell you that there is not a member on this committee that doesn't get pressure from other members that serve in the Senate, to keep some of these systems. So this is really your opportunity to make your case. And so we appreciate you being here to do exactly that.

Last year there was a lot of controversy about proposals to reduce the C-130 fleet, as well as the Air Force basing plans for new airplanes headed to the National Guards. The President's proposal—the President's budget request plans to divest eight C-130Hs. These planes are only flown by the Air Guard units. And that cut is enough to eliminate an entire Guard unit.

This has created some anxiety, as you can imagine, in Congress. So here are a few direct questions to help clear up what the Air

Force is proposing.

Number one, has the Air Force identified a unit that you want

to convert to a new mission?

General Nahom. Sir, thank you for the question. You know, the Air Force is seeking to reduce the C-130 overall inventory from about 300 aircraft down to 255, and we are taking a very measured approach. And for eight aircraft you identify in this year's President's budget, we have not yet identified a unit. We have some replacement missions we are looking at, and we are, we are seeking units that we can come to a mutually agreeable replacement mission.

We are not going to force a unit to change their mission. We think some of these future missions we have to offer are going to be very attractive, and we want to continue to have that discussion and that dialogue with these units.

Senator Tester. So let me ask you this. Have you narrowed it

down at all?

General NAHOM. Well, sir, with the—if you look at, going from 300 to 255, that 45 airplanes, that is about five units.

Senator Tester. Yes.

General Nahom. We have already identified one, and we are keeping Martin State and the A-10, and that was actually mutually agreeable. And that works out well.

The second one we are looking at right now is an Air Reserve unit down in Alabama that is going to convert to the MH-139, our newest helicopter and form a training unit down there, again, mutually agreeable.

The next one we are looking at is a cyber warfare wing. And we are looking at a couple of units that could—that this would be very—that this would be very well suited.

Senator Tester. Okay.

General NAHOM. And we are having the conversations now, but we have not committed to either unit or that actual mission yet, sir.

Senator Tester. So my next question was going to be, what happens if the home state of a unit disagrees with your decision. And I assume your answer to that, not to put words in your mouth, is that you are hoping that the replacement mission will be attractive enough that they would be willing to give up those C-130s?

General NAHOM. Yes, sir. We were hoping we can actually make some mutually agreeable changes, if not, then we will look else-

where.

Senator Tester. Okay. If Congress chooses to continue investing in the newer, C-130Js, how will the Air Force choose to determine where these planes are going to go? And how will that affect the long-term strategy for the C-130 fleet?

General Nahom. Sir, right now we have—if you stipulate that we go to 255 at some point, right now we have either purchased or ordered 163 C-130Js that are in some form of development. That leaves 92 C-130Hs. We also have money to upgrade those 92 C-130Hs to the level we need to.

So with that being said, right now where we sit, we are actually sitting pretty good with our C-130 investment, if you say we are going to get down to 255. If not, then there would be further investment either in modifying some C-130Hs or purchasing C-130Js. If we do have C-130Js that are appropriated and come to the Air Force, then we will go through our strategic basing process to find the most suitable location to put those aircrafts.

Senator TESTER. Okay. So this question is for either Admiral Crites or General Nahom. Look, savings from legacy divestments should enable the departments to improve efficiency and redirect money to higher priorities. This all depends on the divestment proposals actually delivering on the savings that you guys are planning on.

And so I would tell you that we have been accustomed to cost estimates, for new weapons systems being too low. How would you respond to critics who might say, the estimates of savings of divestments is too high?

Admiral CRITES. Thank you, Senator Tester, for the question. So I think for the Navy, in particular, when we look at our overall funding that is available for us to apply to the different capabili-

ties, the readiness, the items that we need to bring in, we do it very carefully, and what we have seen over the last, really, 10 or

11 years is essentially a flat budget.

We have not kept pace with inflation. And what you will see is, is back in 2010 we had about 288 battle force ships. We declined, as we went through sequestration, down to about 271, and we built our way out of that up to about 297 today. That occurred as a result of a number of reform efforts and divestitures that we did inside the Service.

The challenge that we are facing now is that the good ideas, the things that we don't think we need to bring to the future fight, we are starting to run out of that. And so we are challenged as we see labor costs far exceeding inflation, the cost and the complexity of the work that we are trying to do, the materials that we are trying to buy, are all outpacing inflation, yet we need to balance within the program that we have. And so our priorities have not changed.

Senator Tester. Okay.

Admiral CRITES. The number one priority is to bring in Columbia. Number two is to ensure that we have a ready force. Number three is to make sure that we are bringing in the capabilities that we need. And number four has been capacity that we can afford.

Senator TESTER. Just a quick follow-up before I turn it over to Senator Shelby. And that is, is that so when you do the divestments that is going to save you X-amount of dollars. When you replace those divestments with other systems, it is going to cost you X-amount of dollars. Is anybody double-checking your math?

Admiral Crites. Certainly. I mean, we have a number of different groups and organizations that work cost estimating, we work with industry and so forth.

Senator Tester. Good.

Admiral CRITES. Yes, sir.

Senator TESTER. All right. Thank you.

Senator Shelby.

Senator Shelby. Thank you, Mr. Chairman.

What metrics did your individual services use to make decisions about how and where to reinvest the savings that you expect to realize from the divestments that you would like to make?

Who wants to start?

General Nahom. I will start.

Senator Shelby. General, go ahead.

General Nahom. Well, Senator Shelby, thank you for the question. Yes, I will tell you where we looked to invest, obviously we start with what we need to look like in the future to meet the threat. And we have done a lot. We have done extensive wargaming on what that fight would look like, and when you do that you can start looking at the Air Force, and looking at what we have, and the aspects of it, that is not going to be part of that fight.

So we use the strategy and the design we need to get to as our first template of where we need to get to. And then you look at some of the legacy platforms. Now, some of the platforms, and that are—that may be not be part of that future fight, we still need in current day operations. So there is certainly a tug between what the combatant commanders need today, and what are our

wargaming and our analysis says we are going to need in the fu-

ture for that future peer threat.

And we are making those balances every day. And going back to a little bit of what Senator Tester said too, is that when a new weapon system comes on, very often they are coming on slower than we would like. The F-35 is a perfect example. If you go back to 2010 when we were making decisions on our fighter force, we thought in 2021 we would have almost 1,000 F-35s in service, we have about 300. And so therefore we adjust, therefore we take some older systems, we upgrade them, we service life extend as necessary so we can maintain that balance for that current-day operations in that future fight.

Senator SHELBY. Thank you.

Admiral KILBY. Except for this—can I just add for the Navy, sir?

Senator Shelby. Go ahead, sure. Go ahead, ves.

Admiral KILBY. We are consistent with the Air Force. I would say our POM (Program Objective Memorandum) process introduces analysis and valuation where we really look at key operational problems against the adversary, but particularly China. And we look at their advances from an intel perspective, understand what they are doing from a weapons perspective, and what we see them doing. And we look at our program and balance it against it. And then we have a model-based systems engineering approach to look at those investments that we think, will either accelerate or match the adversary.

So there is a de-emphasis on strongly held opinion, and an emphasis on the analysis and the wargaming that proves these technologies out. So we agree with the Air Force. I think it is critical

to do that.

I also agree that these new technologies are hard to develop. So really, in my opening statement, I said, it is not that the things we are talking about divesting are not valuable. They are valuable. They are just less valuable than the things we need to invest in to have a capable force.

Senator Shelby. Well, what you have got to do, I suppose, is to analyze your current situation, readiness, with the weapon systems of tomorrow, and what our adversaries might do or could do, right?

Admiral KILBY. Yes, sir.

Senator Shelby. And that is what you are doing, isn't it?

Admiral KILBY. Yes, sir.

Senator Shelby. Okay. The Navy has procured 35, from my understanding, Littoral Combat Ships, or LCS to date. And now that the ships are almost finished, and many have been delivered to the fleet, the Navy appears to be less interested in them. That said, the Navy has been talking about the need to grow the fleet here before, 355 or more ships for years. But they shift away from the LCS, it seems to me is a contradiction. I don't know.

What is the Navy's assessment of risk if we enter a conflict in the Indo-Pacific region with our current fleet, what is the plan to increase the size of the fleet, if you have one?

Admiral KILBY. Sir, thanks, I will start. The fleet size is an important metric. We have done significant analysis over the lastsince 2016 on the fleet size. All those analysis, 2016 when-

Senator Shelby. But the size is not the only thing.

Admiral KILBY. No, no, sir, absolutely.

Senator Shelby. But it is the quality of what you have got.

Admiral KILBY. That is right. And I was just talking about, size is not the only thing that matters here.

Senator SHELBY. Okay.

Admiral KILBY. The capabilities that those specific platforms bring, matters. For example, the Flight III DDG brings in the air and missile defense radar that is key against some threats, against China. So in specific comment to the LCS discussion, there are four LCSs that are proposed for divestment in this budget.

LCS-3 and 4, which were the initial versions of the class, and then 7 and 9 are affordability decisions to drive the program where we need to have the most capable Navy we can produce for you. 7 and 9 are cost avoidance for combining gear repair, lethality upgrade, and a survivability upgrade that have not been made on those ships. So really it is looking at what we have and how we best position those, our fleet size against what we need to do, sir. Senator Shelby. Thank you. What will the Services do with the

Senator Shelby. Thank you. What will the Services do with the equipment that it divests, and what efforts or studies have been done to determine if the newer equipment, such as LCS and RQ-21 might meet other U.S. defense government or allied requirements? Has that been taken into account?

Admiral KILBY. Yes, sir. Different answers for different platforms. The Mark VI is a fairly new platform, just not what we view as capable a platform against China. LCS, as you indicated, is a new platform, so there might be a future for those ships, either foreign military sales or keeping them in some kind of reserve capability. The cruisers on the other hand, are at the end of their service life. So it would be very difficult to come up with a construct where we would be able to bring them out and make them relevant in the time we need to in the adversary, so I think it is a different answer depending on the specific platform, sir.

Senator SHELBY. If you had been given additional resources, we are trying to increase the budget, as you well know, we think—a lot of us believe that the Defense proposal by the administration is too short—too small. But if you had been given additional resources, or if you are given additional resources, which items currently proposed for divestments would you retain because they are relevant to a potential near-peer conflict? Assuming you got all money in the budget, because this is budget-driven, you know that, to a point.

General.

General Nahom. Yes, sir. I will tell you. We have to be careful, though, with the resources. Money, additional money may be able to allow us to keep an asset. But one of the resources we have to be very careful on, is our people, and as we divest, and I will go back to the fighter example, you know, the same, incredible men and women that are swinging wrenches and flying FA-10s and F-16s today are the same incredible men and women I need flying F-35s tomorrow.

And as we continue to take F-35s through the assembly line, we have got to divest some, otherwise we run into huge manpower problem. So the money is interesting and very important, but the

people piece is actually where I think is the most difficulty when you talk about additional resources, sir.

Senator Shelby. The one thing you don't want to do is buy yesterday's technology and somebody else is moving ahead of you, do

General Nahom. That is true, sir. And that is why when you look at where we are focused on our platforms, it is absolutely an eye on peer competition. And that is why even some of the stuff that we are divesting out of, there is a market for, building on Admiral Kilby's conversation, like C-130Hs, and even MQ-9s, and other

Senator Shelby. Thank you.

Senator Tester. Senator Boozman.

Senator BOOZMAN. Thank you, Mr. Chairman. And thank you all for being here. And we greatly appreciate your service to our coun-

Both the department of the Navy and the department of the Air Force budget requests look to make significant divestments in order to make necessary changes to their force structure. This committee must ensure that our military has the weapons and the platforms to prevail against the pacing threat of China and Russia.

General Nahom, your testimony clearly paints the picture of why the Air Force needs to modernize. While the average age of the Navy fleet is 14 years, and the Army fleet is 15 years, the Air Force, I believe, is 29 years. One of the Air Force's modernization efforts is with the F-15 fighter aircraft. The President's budget request divests 48 F-15C and Ds in order to procure the modernized successor, F-15EX.

Why is the divestment of F-15C and Ds to procure F-15EX is such an Air Force priority? And how is it in upgrading capabilities? Also, how soon would we see F-15EXs operationally capable of full-

spectrum conflict?

General Nahom. Senator, thank you so much for the question. You know, and the numbers there, the numbers do tell a story. Another number that is very important is 44 percent of Air Force aircraft are flying right now beyond their initial design service life. So we are an aged Air Force and we do need to recapitalize.

The F-15C, I am very familiar with that is the platform where I spent most of my time in the Air Force, and it is falling apart. There is a number of them sitting at Depot down at Warner Robins right now, with additional cracks, looking for dispensation, looking for ways to fix those aircrafts. We have got to refresh the airplanes.

The F-15EX is not the F-15C that I grew up on. We are benefiting from billions of dollars of Saudi Arabia and Qatari investment into that platform to modernize it to a very viable platform for future warfare, especially when you look at what it can do in critical infrastructure defense, defense of the homeland, as well as its ability to shoot and carry outsized weapons for modern combat. So we are very excited about it.

But, for me, I look at it right now as, we have got to get these units and these men and women that are doing incredible work with these F-15Cs/Ds, and places all over the world, whether it is in, RAF Lakenheath, or in Okinawa, Japan, or incredible guardsmen sitting alert today in the F-15Cs, when these airplanes are flying so far beyond their initial design service life. To get them, new aircraft where they can safely operate and defend our Nation is a huge priority. And the F-15EX is allowing us to modernize a little quicker. We are pretty excited about it coming to service.

Senator BOOZMAN. Very good. General Nahom, our pacing adversaries will never stop advancing, and the Air Force has made it clear that modernization is critical to achieving a future force that is agile, as you just described. Also persistent, resilient enough to win in a great power competition. Maintaining the status quo, no longer suffice, I understand that this—with this comes a need to accept some near-term risks.

General Nahom, what is the Air Force's strategy for balancing near-term risk, and cost when considering divestment options? And then also, we have talked about, you know, concern about divestment and things like that. How does restriction on divestment of specific fleets impact the Air Force's ability to invest in cutting

edge technology in the future?

General NAHOM. Sir, thank you for the question. I tell you. When you talk about balancing risk and that is the hardest thing we do, and I am sure my Navy counterparts struggle with this too. The real conversation is really between the Service, in this case the Air Force, and the combatant commands, because it is our combatant commanders that are out there fighting the current-day conflicts right now.

And we have to be sure we are getting them what they need in current-day operations. But we also have to work with them to balance that risk. We have been very successful over the last year, working very closely with TRANSCOM balancing that tanker risk to find out exactly what we need day to day for our air refuelers, but allowing us the resources so we can modernize into the KC-46, and the modifications we need to make the KC-135. So that balance is very important as we look to the future.

Senator Boozman. Thank you. And thank you, Mr. Chairman.

Senator Tester. Senator Moran.

Senator MORAN. Chairman, thank you.

General Nahom, let me pick up where you and Senator Boozman were visiting, McConnell Air Force Base, the home of the KC-46, and previously the KC, and currently the KC-135s, we take great pride in McConnell and its refueling missions around the globe. The Kansas Air National Guard is sometimes not thought of in that process, but they are refueling, have a refueling mission as well. They fly the 135s, and support refueling missions around the U.S. and across the world.

Let me follow up with what Senator Boozman and you were talking about. As the Air Force seeks to rebalance the divestment of the KC-135s, replacing with the—and fielding the 46s, what safeguards are in place, in this process of transition, to make sure that

our mission is being—our missions are being fulfilled?

General NAHOM. Thank you for your question, sir. And that goes back to that conversation with TRANSCOM, and the other combatant commanders, to make sure that we, as an Air Force, can give the day-to-day refueling capacity that is needed, because it is lifeblood of operations around the world. I would say one of the benefits we have in the air refueling, we right now have over 490 tankers, if you can combine in the KC-46, a lot of those tankers are in the Air Reserve proponent, the Kansas Guardsman.

What we are able to do is not only work for the day-to-day capacity. We are also able to work with our guardsmen and our reservists with additional NPA, allowing them to meet some of our day-

to-day needs, and then allow us to divest.

The 135 is important, the bigger conversation is the KC-10, as incredible as that airplane is, and any fighter pilot will tell you, they love refueling off the KC-10, because it is an amazing airplane, carries a lot. It is very expensive. And as we phase in the KC-46, it is very important we phase out the KC-10s, and we are

on a very roadmap with that right now.

And we have worked out this roadmap with TRANSCOM, and the other combatant commanders, to make sure we can give them enough capacity to mitigate that risk, while we get to the modern fleet, which will be 300 KC-135s, modernized, and 179 KC 46s. And then at that point, once we get to that 179, you will see itstart about a bridge contract, because eventually even those 300 KC-135s will be replaced. We just don't know what that is right now. We know right now, the first 179 will be KC-46.

Senator MORAN. When you say you don't know when, is the expectation that the 35s will generally be replaced with the 46s in

the same kind of magnitude and scale?

General Nahom. They will be replaced because they are aging like any other aircraft. We are going to the first 179, we are going to go to a bridge contract after that, and you are seeing us having those discussions right now with what that is going to look like. And then we are keeping our eyes open to advanced technology.

There may be something else beyond the KC-46, beyond a 767based platform, to take us into the future. We want to make sure we keep our eyes open. We still have several more years of procurement on the KC-46. So the good thing is we have time to have these conversations, and look at the technologies out there, and make sure that when we get to 179, and we go to Jet 180, and we start replacing the next round of KC-135s, we have the right air-

Senator MORAN. I assume there is no indication or evidence that

we are going to need less refueling missions in the future?

General NAHOM. No, sir. I will tell you, if you look at—if your eye is on China, like we all are right here, and you look at the distances in the South China Sea, you have to have the gas. I mean, there are some technologies we can talk about that maybe use less gas in fighters, engine technology, things like that. But overall, we are going to need the gas in the air.

Senator MORAN. Should I have any concern about the Guard units, as this transition is pursued, that they will lose their refueling mission?

General Nahom. No, sir. There is no intention in that right now,

Senator MORAN. So you wouldn't expect any specific, National Guard units to be involved in a divestiture process that would take them out of their mission?

General NAHOM. No, sir. Especially not in the refueling, we need the air refuelers. You know, one of the questions you will see coming out as we look at ops, the next two beddown locations for the Air National Guard, we are actually going to have that conversation in the next year. And of the Air National Guard units flying the KC-135 now, we are going to transition two of those as part of that 179, and that conversation will happen in the coming year.

Senator MORAN. General, thank you.

General Nahom. Sure.

Senator Tester. Senator Hoeven.

Senator HOEVEN. Thank you, Mr. Chairman. And thanks to all three of you gentlemen, for being here, and for your service, it is much appreciated.

General Nahom, last year we agreed to retire the Block 20 Global Hawk. I am wondering, is there a current plan for those airplanes? I have heard possibly support testing hypersonic missiles.

But is there a plan for those Block 20 airplanes?

General Nahom. Sir, I am not aware of any plan. You are probably aware that we actually extended them a few months to assist in the withdrawal from our Afghan Forces. But anything beyond that, I will have to take that for the record, and ensure I have that correct, sir.

Senator Hoeven. Thank you. Okay. This year you are requesting permission to retire Block 30 fleet, that is still under consideration, let us say. And so my question is, are you able to replace the capabilities of Block 30 fleet immediately, if in fact we did go with your

request on that?

General Nahom. Sir, if you look at what the Block 30s are doing today. They do it very well. That is one of these places where you look at some near-term risk to make sure we get to the fleet we want. There is some capacity that they provide to the joint users, the combatant commands out there, that we will have to mitigate

with other technologies.

But when you look at the future where we are going, the Global Hawk, because future ISR (Intelligence, Surveillance and Reconnaissance) platforms, we have to—you know, the three things that are most important is an ISR platform that can survive in the threat, persist in a threat, and then be connected. And the Global Hawk, because it was designed—it was not designed with the threat we are looking at right now from a resurgent China, we have to look to the future in that. And that is where that risk with the combatant commanders comes in, sir.

Senator HOEVEN. Have you looked at strengthening the surviv-

ability of the aircraft? Have you looked into that?

General Nahom. Sir, just the nature of that aircraft, the altitude it flies, and then it—I will have to get back to you in a classified session on that question. I will take that for the record. But right now, when you look at that platform, the speeds it flies, the altitude that it flies, and the makeup of the aircraft, it is just not survivable in these contested environments that we are going to be looking to gather intelligence from in the future.

Senator HOEVEN. Are you making any plans to retire the Block

40?

General NAHOM. Sir, the Block 40 right now is a little bit different mission, because we actually rely on it for the GMTI, the ground moving target indicator capability. We also rely on the E-

8 J STARS. We are going to retire a couple of J STARS because that airplane is really showing its age. We are going to need the Block 40s in the interim until we get to the "what next", and we will have to come back in a classified session to talk about that

But the Block 40s are going to be very critical in the next 6, 7, 8 years while we go to the "what next", and that capacity will be important for the combatant commanders, sir.

Senator HOEVEN. What is your rationale for curtailing purchase

of the MQ-9?
General Nahom. The MQ-9 right now, sir. We have over 300 platforms. We have enough platforms of the MQ-9 to take us into the mid-2030s. We are not reducing the size of the fleet-of the squadrons. We are not reducing any manpower out of those squadrons. What we are asking for is to reduce some of the combat lines in the manner in which we have been flying them in the Middle

The way we have been flying the MQ-9, as amazing as that platform is, we operate in a very manpower-intensive way. So we are looking to reduce some of the combat lines and start operating that aircraft a little differently. If you look at how many platforms we have, over 300, we just don't need additional platforms right now for the size of the enterprise we have in the Air Force.

Again, it is one of those that is a balance too, because the MQ-9, as incredible as it is for some of the current-day operations, certainly things we do in the Middle East, it is not survival. It was never designed for what we foresee operations in the South China Sea, where the peer adversary would be.

Senator HOEVEN. So what are you going to replace it with?

General Nahom. Sir, that we have a family of systems, I will have to come back to you in a classified setting to talk more details about some of the platforms and some of the capabilities we are bringing on, but we were certainly, if you look at what the MQ-9 brings to the warfighter today, we are certainly looking to make sure that we as an Air Force provide that level of ISR to the combatant commands in the future.

Senator HOEVEN. And I understand the concern with survivability, particularly relative to the near-peer adversaries. So I certainly understand that. But I also understand that there is always a demand for ISR out there.

General NAHOM. Yes, sir.

Senator HOEVEN. You always have a demand for more ISR.

General NAHOM. Yes, sir. Absolutely-Senator HOEVEN. That is accurate, isn't it?

General NAHOM. Absolutely accurate, and that is why we are not taking any crews out of it. We are going to transition as smartly as we can move in forward. I do believe though, the reduction in the combat lines, because of our reduction of our presence in the Middle East is appropriate. Now we will have the opportunity to look at those platforms differently and use them differently in competition, and in some of these places around the world with less contested environments.

Senator HOEVEN. Thank you, General. And I look forward to visiting with you further on this.

And to both of the gentlemen from the Navy, thank you for your use of unmanned or drone aircraft. I think it has been very effective, and I think you are doing a great job with it, and it is much appreciated.

Again, General, thank you for the conversations we have had on

this subject, and look forward to talking to you more on it.

Senator Tester. And Senator Hoeven, next Wednesday, we are going to be having a hearing in classified that you can take all those questions back, and rock and fire with these guys.

Senator Hoeven. Thanks, Mr. Chairman. Senator Tester. Yes.

Senator HOEVEN. I appreciate both you and the ranking member, thanks very much.

Senator Tester. Senator Murkowski.

Senator Murkowski. Thank you. Mr. Chairman.

Gentlemen, good morning. Thank you all for your leadership.

General Nahom, I understand that prior to my arrival here at the committee, you had discussion with Senator Moran regarding

the KC-135s. And I wanted to just follow on to that conversation. We have been notified, four additional KC-135s that will join the fleet at Eielson, we are looking forward to that. We are very thankful for the continued partnership that we have in Alaska. I am also very aware of the Air Force's plan to divest the KC-135s as the KC-46s are available, recognizing that we have got an aging fleet

So the question for you this morning is with regards to timeline of when the divestiture of the KC-135 would affect Alaska, and

when the delivery of the KC-46 might happen?

General Nahom. Senator, well thank you for the question. You know, right now we are very focused on Alaska and these additional tankers. This is a really good new story for the Air Force. We need additional refueling capacity because the amount of—I mean, it is the center of fifth-generation warfare in higher Air Force, with what is going on up at Eielson with the F-35, and certainly with the plus-up of F-22s down in Anchorage.

Getting more for refueling capacity has been our most immediate need. And that is why those additional four, and we are committed to getting those four tankers there as quickly as possible. We are just trying to build—we are assessing and building the infrastructure around them to make sure that we can take care of the mission, the added mission, as well as the airmen we send up there.

Right now as we—the KC-135s are going to stay there until we can replace them with something. We need refueling capacity in Alaska, not just for the training on the JPARC, but also to project the power of those platforms around the world. And in that, in having that refueling capacity there immediately is game-changing for

Now when we go to the KC-46, we are going to look at the next two KC-46 locations for the Air National Guard in the next year. We will assess all the locations to make sure we find the most suitable location, and that will go through our normal strategic basing

Once we get to 179 of those airplanes, we will start—we are going to look at a bridge contract, and then we are going to look at a follow-on tanker, to see what is the most suitable. Eventually, those KC-135s will be replaced. Eventually they have to, they are

aging like any other platform in the Air Force.

When that is and what that platform is, whether it is the KC–46 or some other refueler that I cannot tell you right now. I do know that we will have robust refueling capacity in Alaska until that point, and then we are going to continue on with a new platform. I just don't know exactly when that time will be, ma'am.

Senator MURKOWSKI. But it looks like you are very, very focused on making sure that we don't have this gap that, in fact, we will be able to—whether it is utilizing, perhaps KC-46s, in kind of a rotation in and out in the interim, you are looking at all of these

as potential consideration?

General NAHOM. Yes ma'am. And, you know, if you look at Alaska too, and what you need from that, if you look at the Pacific and how quick things can happen in the Pacific, we need to get air power to places around the world instantaneously, and sitting up there at Anchorage, or sitting up there at Eielson, waiting for a tanker to come from Kaunas, is not going to help us when we need to get air power out immediately.

And having the fifth-generation aircraft there to train at that incredible range is wonderful, but then we have to be able to get it out quickly. And so the additional four tankers and increasing air refueling capacity, Alaska is one of the better moves we made in

the last year?

Senator MURKOWSKI. Well, you know, how much I—I know you have heard this from Senator Sullivan, but we all recognize that this is key. We can put the assets out there, but if you can't fly them around because you don't have the fueling, refueling capacity, we have not helped anyone.

Let me switch subjects real quickly. And this relates to ice-breakers, Polar Security Cutters, you all know that we have made some good investments, and momentum with the Polar Security program. We want to make sure that we are maintaining that course. But as we are looking to divest, to invest, if you will, in new technologies and platforms, how are you incorporating the Arctic domain into the planning here? And, you know, we recognize that the Navy is certainly going to benefit from increased Coast Guard, Polar Security Cutters, do you need more assets up north to bolster your maritime domain awareness in this region?

Admiral KILBY. So, ma'am, I will start. And I will ask Admiral Crites to come in if he wants to add anything. But as we think about new platforms, like DDG(X), understanding that operating environment, and the reach, and where the adversary is potentially going to be is critical for us. So we have to make that as part of the design criteria when we develop that ship based on our wargaming and analysis, and where we think we are going to oper-

ate.

It looks to me like there is a couple of drivers for that new hull form, one of them is potentially firing a conventional prompt strike missile, or something like that, which will require it to operate in different areas than we have in the past, and perhaps present opportunities for us.

So we would certainly include all those operating environments in that structure as we kind of work through that. But DDG(X) is an important ship for us in the future, because we need to create a ship that can be modernized. And the Flight III is an awesome ship. It is going to be the best ship in the world when we produce DDG-125. The availability of service life allowance from an HM&E perspective, hull mechanical and electrical perspective, to upgrade it to additional sensors is challenging.

So we need a platform that can have the reserve to be updating and supportive of new things. So I think that will be a first opportunity for something forward-fit in the future in the combatant realm for us to do that. Of course, our submarines operate all over

the world and provide us great access.

Anything to add, Admiral Crites? Admiral Crites. Yes, ma'am, thanks for the question. I would just say that we strongly support the Coast Guards' icebreaker fleet, as well as Polar Security Cutter. We have got some good investments in 2022 associated with the Arctic, some good investments in R&D that is tied to autonomous systems, and sensing, as Admiral Kilby mentioned, submarine presence and our ability to operate up there is important.

The National Defense Strategy that is being worked now, there will be additional direction, I think, provided in that document. The Secretary of Defense had highlighted that I think in his testimony recently, and we are looking forward to seeing that. But it is absolutely important, and we are certainly focused there, and

looking at our strategy with the Coast Guard.

Senator Murkowski. Appreciate that.

Admiral Crites. Yes, ma'am.

Senator Murkowski. I recognize that the Secretary is going to be up in Alaska, up in the Eielson area, over the weekend on the way to other points, so I think it is his first trip as Secretary, and we are looking forward to his positive review afterwards.

Thank you as chairman.

Senator Tester. Thank you. I just have one quick follow-up question, and it follows up on something that Senator Shelby had asked you guys that I think is very important. And that is, how many of these proposals are divestments due to saving money versus weapons that are simply past their prime?

Admiral KILBY. So it is a mix, sir. Cruisers are ships that we value greatly and were originally designed for 30 years. So of the ships that we are considering divesting of in this budget, many of those were produced in the last budget, two are presented in this

budget, Hue City and Anzio.

So those are not, I would say, totally affordability-driven, they are maintainability-driven, and relevance-driven. There are some other investments, though, that we talked about that are younger, that we could get more service life allowance, that we made a decision, based on their capabilities, that they would be less relevant, but there is certainly hull life left on those.

Senator Tester. Okay.

General Nahom. And sir, from the Air Force. I would, I would say that we are not divesting anything that we would need for a peer fight. We are certainly, because of the budget, we are buying things at a slower rate than we would like, fighters are a perfect example, we are not buying fighters fast enough to replace the

fighters that are falling off due to age.

I would say, based on the budget, though, we are divesting some systems that we could use in the interim to fill in some of that capacity that the combatant commanders need. And that is what we are—that is that risk piece, but we are still trying to create that Air Force that we believe that the Nation needs to defend our interests in the coming decades.

Senator Tester. Senator Shelby.

Senator Shelby. General, at what point—I know you have to think about this—will we get to where, looking at the risk in the world to us and our allies, that we had better be careful what we, not only divest, but how much we get for the future? Is that a

thought sometimes, every day?

General NAHOM. Absolutely, sir. I am not—and I am always concerned what we divest, because I know the combatant—what the combatant commanders and our airmen need around the world. I am very concerned with readiness, that we are not investing in readiness right now, the one of my bigger concerns. But I will tell you, I am very concerned with what we are not with—you know, when we are talking about, you know, B-21s, or the next-generation air dominance, you know, some of these things are not going to be in service for 10, 12 years.

And, you know, we have got to make sure that we continue the investment, so they do arrive. We cannot afford to bring on the B-21 and have that—that bomber is going to be critical to our Nation's defense. And we cannot do what we did with the B-2 and only buy 20 of them. We have got to make sure that we stay invested in these systems moving forward. And that is a concern, sir.

Senator Shelby. But we have to stay looking long-term at the future, knowing China is a long-term thinker and implementer, longterm. They sit in readiness, but the answer is in tomorrow, and to-

morrow, aren't they? Are they not?

General NAHOM. Yes, sir. We obviously need to look at the threat. And I will say the thing that gives me the most pause when you look at the threat, you know, I have been asked, you know, did the NDS (National Defense Strategy) back in 2018, get it right? And I would say, yes but, I would say the threat is accelerating much more than we would have thought back in 2018.

Senator Shelby. But we also have to think, where are we going to be in 10 years.

General NAHOM. Yes, sir.

Senator Shelby. Because we think the Navy has always thought, the Air Force did and the Army did, but the Navy, especially, because of the cost and time to build ships and submarines. So you have got to think of, say, 10 years from now, or even 20 years. The Chinese though have the economic base that the Soviet Union never had as far as the future wealth to-as a nation. You can see it coming. I mean, it is there, whether you like it or not. Is that true?

General Nahom. Yes, sir. I would say they have some advantages, as do we. You know, we, we have a lot of partners and allies out there that other nations don't—or that China does not have. You know, recently we had exercise—

Senator SHELBY. We do today, but we have got to think of where are we going to be, say, 10 years from now, or 20 years.

General NAHOM. Yes, sir. Absolutely.

Senator Shelby. Because they are, by nature, pretty patient,

aren't they?

General NAHOM. Yes, sir. You know, there are signs that, you know, are very positive. You know, when you look at an exercise where you have, Italian, British——

Senator Shelby. Yes.

General Nahom [continuing]. Israeli, and U.S. Marine—U.S. Air Force, U.S. Marine, the F-35s, all operating together in a single exercise, that is something our adversaries cannot match. And I think there is some power in that. And I think, as we look to the future, not just the investments, we look at our partners and allies, and then we talk a lot about in the Air Force about the Advanced Battle Management system, and how that relates what the Navy is doing with overmatch, and the joint, all-demand, command and control system, and how we share data, and how we modernize together. I think there are—that we are doing—we are making good investments as we look to the future, but it is certainly something to keep an eye on. Thank you.

Senator TESTER. Thank you.

Senator Shelby.

We, appreciate your testimony here today. Senators may submit additional written questions and we asked if that happens, that

you respond to them in a reasonable amount of time.

This conversation is going to continue next week. This Defense Subcommittee will reconvene on July 28, which is a Wednesday at 10 a.m. It will be in closed session to examine the next-generation weapons systems in the fiscal year 2022 budget request.

# SUBCOMMITTEE RECESS

Senator Tester. Thank you, guys. I assume you are going to be at the hearing next week. So we will see you then.

With that, this committee stands in recess.

[Whereupon, at 10:57 a.m., Wednesday, July 21, the sub-committee was recessed, to reconvene at 10 a.m., Wednesday, July 28.]